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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-883]

Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is amending the final results of the administrative review of the antidumping duty (AD) order on certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea) to correct ministerial errors.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Justin Neuman, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0486.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 2019, Commerce published the final results of the first administrative review of the AD order on hot-rolled steel from Korea.¹ On July 1, 2019, both ArcelorMittal USA LLC (the petitioner) and POSCO timely filed ministerial error allegations.² On July 8, 2019, POSCO and the petitioner filed comments rebutting each other's ministerial error allegations.³

¹ See *Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2016–2017*, 84 FR 32720 (July 9, 2019).

² See Petitioner's Letter, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea – Petitioner's Ministerial Error Allegation Regarding POSCO's Margin Calculation in the Final Results," dated July 1, 2019; see

Legal Framework

A ministerial error, as defined in section 751(h) of the Tariff Act of 1930, as amended (the Act), includes “errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.”⁴ With respect to final results of administrative reviews, 19 CFR 351.224(e) provides that Commerce “will analyze any comments received and, if appropriate, correct any ministerial error by amending...the final results of review....”

Ministerial Errors

According to the petitioner, Commerce committed an inadvertent error within the meaning of section 735(e) of the Act and 19 CFR 351.224(f) with respect to its calculation of total cost of manufacturing by excluding the conversion cost variable. In the formula used to calculate POSCO’s total cost of manufacturing, the exclusion of the conversion cost variable resulted in POSCO’s total cost of manufacturing being understated. Accordingly, we have determined, in accordance with section 751(h) of the Act and 19 CFR 351.224(f), that an unintentional ministerial error was made in the *Final Results*. Pursuant to 19 CFR 351.224(e), Commerce is amending the *Final Results* to reflect the correction of this ministerial error. Specifically, we have recalculated POSCO’s total cost of manufacturing by including the missing variable.

also POSCO’s Letter, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea, Case No. A-580-883: POSCO’s Ministerial Error Allegation,” dated July 1, 2019.

³ See Petitioner’s Letter, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea – Petitioner’s Response to POSCO’s Ministerial Error Allegation,” dated July 8, 2019; *see also* POSCO’s Letter, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea, Case No. A-580-883: POSCO Response to Petitioner’s Ministerial Error Allegation,” dated July 8, 2019.

⁴ See 19 CFR 351.224(f).

The petitioner also alleged that Commerce inadvertently omitted certain freight expenses that should be used to cap freight revenues in the home market. In the *Final Results*, we inadvertently limited the freight expenses to inland freight – plant/warehouse to customer, while excluding inland freight – plant to warehouse and warehousing. Accordingly, we have determined, in accordance with section 751(h) of the Act and 19 CFR 351.224(f), that an unintentional ministerial error was made in the *Final Results*. Pursuant to 19 CFR 351.224(e), Commerce is amending the *Final Results* to reflect the correction of this ministerial error. Specifically, we have recalculated POSCO's home market freight expenses to include all inland freight, as well as warehousing, in the formula used to cap POSCO's home market freight revenues.

Finally, POSCO alleges that Commerce made an inadvertent error in not including an income adjustment in the calculation of POSCO's general and administrative (G&A) expense ratio. Accordingly, we have determined, in accordance with section 751(h) of the Act and 19 CFR 351.224(f), that an unintentional ministerial error was made in the *Final Results*. Pursuant to 19 CFR 351.224(e), Commerce is amending the *Final Results* to reflect the correction of this ministerial error. Specifically, we have recalculated POSCO's G&A expense ratio to include the missing income adjustment.

The revised calculation to correct the errors describe above changes the cash deposit rate for POSCO from 10.11 percent to 11.10 percent. In addition, because POSCO's dumping margin was used in the calculation of the rate for non-examined companies in the *Final Results*, our corrections to POSCO's calculation results in an adjustment to the rate for non-examined companies as well, to 8.27 percent. For a detailed discussion of these ministerial errors, as well

as Commerce's analysis of the ministerial error allegations, *see* the Ministerial Error Memorandum.⁵

Amended Final results of the Review

We are assigning the following weighted-average dumping margins to the firms listed below for the period March 22, 2016 through September 30, 2017:

Producer or Exporter	Amended Final Dumping Margins (percent)
POSCO/POSCO Daewoo Co., Ltd.	11.10
Non-examined companies ⁶	8.27

Disclosure

We intend to disclose the calculation performed for these amended final results in accordance with 19 CFR 351.224(b).

Assessment Rate

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the amended final results of this review.

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the

⁵ See Memorandum, "Ministerial Error Memorandum for the Final Results of the 2016-2017 Administrative Review of the Antidumping Duty Order on Certain Hot-Rolled Steel Flat Products from the Republic of Korea," dated concurrently with this notice (Ministerial Error Memorandum).

⁶ The non-examined companies subject to this review are: Daewoo International Corp.; Dongbu Steel Co., Ltd.; Dongkuk Industries Co., Ltd.; Marubeni-Itochu Steel Korea; Soon Hong Trading Co.; and Sungjin Co.

sales to each importer (or customer).⁷ Where Commerce calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, Commerce will direct CBP to assess importer- (or customer-) specific assessment rates based on the resulting per-unit rates.⁸ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (i.e., 0.50 percent), Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.⁹ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁰

For the companies which were not selected for individual review, we will assign an assessment rate based on the average of the cash deposit rates calculated for Hyundai Steel Company (Hyundai Steel) and POSCO. The amended final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the amended final results of this review and for future deposits of estimated duties, where applicable.¹¹

Consistent with Commerce's assessment practice, for entries of subject merchandise during the POR produced by Hyundai Steel and POSCO, or the non-examined companies for which the producer did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.¹²

Cash Deposit Requirements

⁷ See 19 CFR 351.212(b)(1).

⁸ *Id.*

⁹ *Id.*

¹⁰ See 19 CFR 351.106(c)(2).

¹¹ See section 751(a)(2)(C) of the Act.

¹² For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

The following cash deposit requirements will be effective retroactively, as appropriate, for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after July 9, 2019, the date of publication of the *Final Results* of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed in these amended final results will be equal to the weighted-average dumping margin established in the amended final results of this review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the exporter is not a firm covered in this review or the original less-than-fair-value (LTFV) investigation but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 5.55 percent,¹³ the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

¹³ See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016).

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

These amended final results and notice are issued and published in accordance with sections 751(h) and 777(i) of the Act and 19 CFR 351.224(e).

Dated: July 29, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

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